

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 USIA-06 AID-05 EB-07 NSC-05
EPG-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00
COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03
LAB-04 SIL-01 PA-01 PRS-01 L-03 /086 W
-----090815Z 128144 /10

R 081600Z JUN 77

FM AMCONSUL ZURICH

TO SECSTATE WASHDC 2517

INFO RUQMGU AMEMBASSY ANKARA 014

AMEMBASSY ATHENS

AMEMBASSY BERN

AMEMBASSY NICOSIA

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EO 11652: N/A

TAGS: EFIN, IMF, SZ, TU

SUBJ: SWISS BANKER'S VIEW ON TURKEY

1. IN DISCUSSIONS WITH SWISS BANKERS IN THE
LAST SEVERAL DAYS, THE CREDITWORTHINESS OF
TURKEY HAS OFTEN ARISEN AS A TOPIC OF CONVERSATION.
WHILE THEIR VIEWS MAY OFFER NO SURPRISES, WE FEEL IT
MAY BE OF INTEREST TO REPORT WHAT TWO ZURICH
BANKERS HAVE TOLD THE CONGEN COMMERCIAL OFFICER
IN SEPARATE CONVERSATIONS.

2. ONE BANKER SAID THAT THE TURKISH GOVERNMENT
HAD APPROACHED NEARLY EVERY BANK IN ZURICH SEEKING
SHORT-TERM CREDITS AND HAD BEEN TURNED DOWN. THE
REASON FOR THE REJECTION WAS THAT, IN THE LAST SIX
WEEKS, LETTERS OF CREDIT ISSUED THROUGH THE TURKISH
CENTRAL BANK HAVE NOT REPEAT NOT BEEN COVERED
IN A TIMELY FASHION -- A SIGN THAT THE TURKS
ARE HAVING SERIOUS FOREIGN EXCHANGE PROBLEMS.

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3. ANOTHER OFFICIAL, FROM ONE OF THE BIG THREE
SWISS BANKS, SAID THAT HE REGARDS TURKEY AS A
"BORDERLINE CASE" AND "LIKELY TO FALL INTO A
MORATORIUM" SITUATION. HE ADDED THAT, NOW THAT
THE TURKISH ELECTION HAS TAKEN PLACE, THE
INTERNATIONAL BANKING COMMUNITY IS WAITING FOR
THE IMF TO STEP IN AND PROVIDE THE NECESSARY

FINANCING TO GET THE TURKS THROUGH THE PRESENT
SQUEEZE. UNTIL SUCH ACTION TAKES PLACE, NO
SWISS BANK WILL LOAN MONEY TO THE TURKS.
NELSON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, BANKERS, MEETINGS, FOREIGN POLICY POSITION
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ZURICH00296
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770205-0799
Format: TEL
From: ZURICH
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770675/aaaacoit.tel
Line Count: 66
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 403f1782-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2220652
Secure: OPEN
Status: NATIVE
Subject: SWISS BANKER'S VIEW ON TURKEY
TAGS: EFIN, SZ, TU, IMF
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/403f1782-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009